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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

March 26, 1998

BY COURIER

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

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EX PARTE PRESENTATION

Re: CC Docket No. 96-128

Dear Ms. Salas:

American Public Communications Council ("APCC") hereby submits the enclosed report providing further information on APCC's 1997 survey of dial-around calling at independent payphones. The report describes the methodology used by APCC to collect the data and derive average monthly dial-around calling volumes. The report also updates the results of the survey to include late-reported data.

As shown in the report, the companies and payphones included in APCC's survey represent a varied cross-section of the payphone industry, in terms of company size, geographical location, and type of payphone location. Participants were selected based on their ability and willingness to devote time to the collection of data, and their possession of a significant number of payphones with the necessary technology.¹ Participants were asked to report data from either (1) all of a participant's payphones that have the necessary technology or (2) a representative cross-section of their payphones. As shown in the report, the payphones in the sample represent a wide variety of locations. As a result, while APCC's survey does not claim to meet scientific standards of statistical validity, APCC is confident that the sample is representative of independent payphone providers and provides the most accurate available indication of average monthly dial-around call volumes at independent payphones.

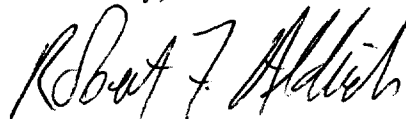
¹ Not all payphones have call detail recording capability that is suitable for generating aggregate information on dial-around calls.

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MCI's ex parte letter dated March 19, 1998 questions why the number of phones varies from month to month. As noted in the report, some companies added or lost phones during the year, and not all companies were able to participate for the entire year. However, APCC did not make any attempt to "load" the survey to achieve any particular result.

The final results of APCC's 1997 survey include additional data from participating companies who were late in reporting data for the later months of 1997. This data was unavailable when the survey was initially submitted by APCC in the letter from Albert H. Kramer to Mary Beth Richards, dated March 5, 1998. Although the inclusion of this late-reported data changes the averages for some months, the monthly average for 1997 as a whole has remained exactly the same: 159 calls per month. Therefore, APCC believes that the Commission can be even more confident that the data submitted is the result of a consistently applied methodology that is representative of monthly dial-around calling volumes at independent payphones.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert F. Aldrich". The signature is fluid and cursive, with the first name "Robert" and last name "Aldrich" clearly distinguishable.

Robert F. Aldrich

RFA
Enclosure

cc: Mary Beth Richards
Glenn Reynolds
Rose Crellin
Jennifer Myers
Craig Stroup

APCC'S DIAL-AROUND CALLING SURVEY: 1997 DATA

For the last two years, the American Public Communications Council ("APCC") has worked with its members to collect statistics on the number of "dial-around" (access code, prepaid card, and subscriber 800) calls made from independent (non-local exchange carrier) payphones.

In 1996, 23 companies submitted data to the project over a period of 11 months. Initial results of APCC's 1996 survey, covering March through May, were submitted to the Commission in CC Docket No. 96-128, as Attachment 1 to APCC's Comments, filed July 1, 1996. The Commission relied upon APCC's initial submission, as well as other payphone industry data, in prescribing interim flat-rate compensation for the period from November 6, 1996 through October 7, 1997. The Commission averaged the initial results of APCC's survey, which indicated average dial-around call volume of 142 calls per payphone per month, with submissions of other parties to determine that interim compensation should be based on average dial-around call volume of 131 calls per phone per month. Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, Report and Order, 11 FCC Rcd 20,541, ¶¶ 124-25.

Final results of APCC's 1996 survey are described in Attachment 4 to APCC's Remand Comments in CC Docket No. 96-128, filed August 26, 1997. Those results, covering 11 months of 1996, based on data from about 4,400 independent payphones, showed that the average payphone generated 152 dial-around calls per payphone per month. The 1996 data also reported average monthly volumes of other types of calls, and average monthly total calls. APCC's 1996 call data was cited by numerous parties on all sides of this proceeding. See, e.g., Comments of Comptel, filed August 26, 1997; Reply Comments of Sprint, filed September 7, 1997, at 4. Further, the Commission found APCC's call data to be reliable enough to be used by the Commission in its analysis of differences in costs per call between various types of calls. Second Report and Order, FCC 97-371, released October 9, 1997, ¶¶ 49-50.

The survey was continued in 1997 using the same methodology and most of the same sources. During 1997, 21 companies submitted data. The number of payphones in the sample varied from month to month, reflecting relatively minor changes in the composition of the project as companies added or lost payphones with the necessary call recording capability. In addition, not all companies were able to participate in the project during every month of the year. The lowest number of payphones reporting data in any month of 1997 was 3,644 (January). The highest number of payphones reporting data was 6,218 (July). The average number of payphones reporting data was 5,089.

Project Methodology

The payphones reporting data in 1997 were from 37 states and 116 area codes. Companies were selected to participate in the project based on their response to a membership-wide solicitation and based on their possession of a significant number of payphones (at least 50) with the necessary Station Message Detail Reporting ("SMDR") technology. Participating companies varied in size from companies with less than 100 payphones to companies with more than 40,000 payphones. In total, the participating companies operate more than 100,000 payphones.

Companies were asked to report data either (1) from all of a company's payphones equipped with the necessary technology or (2) from a representative cross-section of the payphone locations served by the company. Based on the information supplied by participating companies, location types were represented in the sample in the following percentages:

Convenience Stores	30.9%
Gas Stations	19.9%
General Commercial	8.5%
Shopping Malls	7.3%
Hotels and Motels	3.6%
Schools and Universities	3.2%
Apartment Buildings	3.1%
Truck Stops	3.1%
Government Facilities	0.5%
Other Transportation (rail and bus)	0.3%
Airports	0.1%
Other	19.5%
TOTALS	100.0%

Project participants polled their payphones from their computers in order to download call data into payphone management software. The participants exported the call data to monthly files and sent the files to APCC's administrative office for further processing. Statistics were developed for each company showing month-by-month average dial-around call counts per payphone. Average statistics for all the companies for each month were developed by aggregating call data from every company submitting call data for each specific month, and averaging each month's total over the number of payphones reporting data for the month.

For purposes of this project, a dial-around call is defined to include any 800-number call, any 888-number call, and any other call using a number known to be an access code, prepaid card number or toll-free number. APCC defined a completed call for purposes of this project by setting an acceptable duration for each type of dial-around call: greater than 60 seconds for calls to numbers known to be access codes (including prepaid card numbers), and greater than 1 second for calls to subscriber 800 numbers. Access codes and prepaid card numbers were identified based on a compilation prepared by APCC. See APCC Comments, Att. 1, filed July 1, 1996.

1997 Results

The updated results of the 1997 project are described in Attachment 1. Average monthly dial-around calling ranged from a low of 127 calls per payphone per month in February to a high of 182 calls per payphone per month in July. Average dial-around calling for the whole year was 159 calls per payphone per month.

These final results differ somewhat from the results for 1997 that APCC reported in the letter of Albert H. Kramer to Mary Beth Richards, dated March 5, 1998. The differences, which affect only monthly totals for later months of 1997, reflect the inclusion of additional data from companies that submitted late reports of calling data for the later months of 1997. Significantly, while the addition of this data changed somewhat the averages for those months, the monthly average for the whole year remained exactly the same: 159 calls per payphone per month.

APCC Industry SMDR Statistics for 1997

Industry Statistics													
Average per ANI													
Year/Month	9701	9702	9703	9704	9705	9706	9707	9708	9709	9710	9711	9712	12-mo Avg
No. of ANIs	3,644	4,754	4,964	5,093	5,753	5,832	6,218	5,942	5,522	5,189	4,085	4,066	5,089
Dial Around Calls													
Access Code	30	28	31	32	37	39	40	41	36	36	29	28	34
Prepaid Card	3	3	4	4	4	4	3	3	3	2	1	2	3
Toll-free Subscriber	105	95	108	117	127	133	138	136	137	142	112	118	122
Total Calls/Month	138	127	143	153	168	176	182	180	176	181	142	147	159